GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3293
ANSWERED ON:06.08.2002
SUBSIDY TO THE FERTILIZER INDUSTRIES
SUBODH MOHITE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government are giving subsidy to the 116 Chemical Fertilizers industries throughout the country;

(b) the details of subsidy given to single super phosphate (SSP) industries since 1999; and

(c) the number of industries out of them which did not get subsidy due to irregularities committed by them?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI TAPAN SIKDAR)

(a): Subsidy on urea is paid by the Government of India under RetentionPrice cum Subsidy Scheme (RPS), and to decontrolled phosphatic and potassic (P&K) fertilizers in the form of concession, under the Concession Scheme.A total of 87 indigenous chemical fertilizer manufacturing companies availed of subsidy/concession on chemical fertilizers during 2001-02.

(b)&(c): The year-wise concession (subsidy) released against claims on sales of SSP for the period 1999-2000 to 2001-02 is as under:

YEAR	Amount (in Rs crore)
1999-2000	300.95
2000-01	135.32
2001-02	152.98

Subsequent to reports that appeared in Newspapers in January 2000 onfraudulent claims of subsidy and other malpractice by SSP industry located in U.P., the State Government was requested to conduct an inquiry. Based on inquiry reports submitted by State Government of Uttar Pradesh, as part ofaction taken by Government of India, the payments of claims of 21 units out ofa total of 29 SSP units located in U.P. remains suspended.